

January 20, 1999

Able Telcom's EZ Pass leader resigns.

Joseph Andre Schmidt, Able Telcom Holding Corp's (Symbol: ABTE) (Price: \$10.6875) New Jersey Consortium EZ Pass Program Manager has resigned. Over the last 2 1/2 years Mr. Schmidt was first involved in the negotiations for the EZ Pass Contract and then managed the project for MFS.

Able Telcom failed to meet the Consortium's January 15, 1999 deadline to deliver the EZ Pass Violations Processing Center ("VPC"). We believe the Consortium granted an extension. Mr. Schmidt has left MFS and will not be available to work on the VPC. Able has stated it was working to cure the default by the deadline. We believe that the system has failures in its integration and components. Among the problems are failures to take readable pictures of the license plates of violating vehicles; to digitally read the image and automatically retrieve the vehicle's registration information; and to issue a summons matching the vehicle and the time, place and type of toll violation, whether or not the vehicle has a transponder.

Able Telcom is in default of its debts. We believe the debt holders have not foreclosed because Able has no assets that can be sold to cover any meaningful part of the loans outstanding. In fact, Able Telcom's businesses may have a net negative value even before its past due accounts payable and debts. This is a result of its contractual obligation to continue to pay MFS' unrecoverable California and Colorado expenses, which were part of the reasons for MCI/WorldCom's failure to find a competing MFS bid.

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.